

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA**

In re: CECCHI GORI PICTURES

Case No. 16-53499

**CHAPTER 11
MONTHLY OPERATING REPORT
(GENERAL BUSINESS CASE)**

SUMMARY OF FINANCIAL STATUS

MONTH ENDED: 02/28/17

PETITION DATE: 12/14/16

1. Debtor in possession (or trustee) hereby submits this Monthly Operating Report on the Accrual Basis of accounting (or if checked here the Office of the U.S. Trustee or the Court has approved the Cash Basis of Accounting for the Debtor).
 Dollars reported in \$1

2. **Asset and Liability Structure**

- a. Current Assets
- b. Total Assets
- c. Current Liabilities
- d. Total Liabilities

	<u>End of Current Month</u>	<u>End of Prior Month</u>	<u>As of Petition Filing</u>
	TBD	TBD	

3. **Statement of Cash Receipts & Disbursements for Month**

- a. Total Receipts
- b. Total Disbursements
- c. Excess (Deficiency) of Receipts Over Disbursements (a - b)
- d. Cash Balance Beginning of Month
- e. Cash Balance End of Month (c + d)

	<u>Current Month</u>	<u>Prior Month</u>	<u>Cumulative (Case to Date)</u>
	\$20,000	\$0	\$20,000
	\$22	\$0	\$22
	\$19,978	\$0	\$19,978
	\$0	\$0	\$0
	\$19,978	\$0	\$19,978

4. **Profit/(Loss) from the Statement of Operations**

5. **Account Receivables (Pre and Post Petition)**

6. **Post-Petition Liabilities**

7. **Past Due Post-Petition Account Payables (over 30 days)**

	<u>Current Month</u>	<u>Prior Month</u>	<u>Cumulative (Case to Date)</u>
	(\$81,788)	(\$108,381)	(\$224,494)
	\$0	N/A	
	(\$224,494)	(\$142,706)	

At the end of this reporting month:

- 8. Have any payments been made on pre-petition debt, other than payments in the normal course to secured creditors or lessors? (if yes, attach listing including date of payment, amount of payment and name of payee)
- 9. Have any payments been made to professionals? (if yes, attach listing including date of payment, amount of payment and name of payee)
- 10. If the answer is yes to 8 or 9, were all such payments approved by the court?
- 11. Have any payments been made to officers, insiders, shareholders, relatives? (if yes, attach listing including date of payment, amount and reason for payment, and name of payee)
- 12. Is the estate insured for replacement cost of assets and for general liability?
- 13. Are a plan and disclosure statement on file?
- 14. Was there any post-petition borrowing during this reporting period?

15. Check if paid: Post-petition taxes ; U.S. Trustee Quarterly Fees X; Check if filing is current for: Post-petition tax reporting and tax returns: .

(Attach explanation, if post-petition taxes or U.S. Trustee Quarterly Fees are not paid current or if post-petition tax reporting and tax return filings are not current.) Q4 2016 payment was made in March. Delay due to lack of monies in estate.

I declare under penalty of perjury I have reviewed the above summary and attached financial statements, and after making reasonable inquiry believe these documents are correct.

Date: 03/23/17

Responsible Individual

STATEMENT OF OPERATIONS

(General Business Case)

For the Month Ended 02/28/17

Attach an Explanation of Variance to Statement of Operations (For variances greater than +/- 10% only):

BALANCE SHEET
(General Business Case)
For the Month Ended 02/28/17

	Assets	<u>From Schedules</u>	<u>Market Value</u>
Current Assets			
1	Cash and cash equivalents - unrestricted		\$19,978
2	Cash and cash equivalents - restricted		\$0
3	Accounts receivable (net)	A	TBD
4	Inventory	B	\$0
5	Prepaid expenses		\$0
6	Professional retainers **		\$34,653
7	Other: _____		\$0
8			\$0
9	Total Current Assets		\$54,631
Property and Equipment (Market Value)			
10	Real property	C	\$0
11	Machinery and equipment	D	\$0
12	Furniture and fixtures	D	\$0
13	Office equipment	D	\$0
14	Leasehold improvements	D	\$0
15	Vehicles	D	\$0
16	Other: _____	D	\$0
17		D	\$0
18		D	\$0
19		D	\$0
20		D	\$0
21	Total Property and Equipment		\$0
Other Assets			
22	Loans to shareholders		TBD
23	Loans to affiliates		TBD
24	Litigation Rights (TBD)		TBD
25			
26			
27			
28	Total Other Assets		TBD
29	Total Assets		TBD

NOTE:

Indicate the method used to estimate the market value of assets (e.g., appraisals; familiarity with comparable market prices, etc.) and the date the value was determined.

** Sheppard Mullin forwarded \$20,000 from its pre-petition retainer to the Debtor to cover a portion of expenses for Debtor in this time period and future periods. Amount reflected in cash balance.

Liabilities and Equity
(General Business Case)

Liabilities From Schedules

Post-Petition

Current Liabilities

30	Salaries and wages	\$0
31	Payroll taxes	\$0
32	Real and personal property taxes	\$0
33	Income taxes	\$0
34	Sales taxes	\$0
35	Notes payable (short term)	\$0
36	Accounts payable (trade)	A (\$2,000)
37	Real property lease arrearage	\$0
38	Personal property lease arrearage	\$0
39	Accrued professional fees	(\$222,169)
40	Current portion of long-term post-petition debt (due within 12 months)	\$0
41	Other: <u>US Trustee Quarterly Fee</u>	(\$325)
42		
43		
44	Total Current Liabilities	(\$224,494)
45	Long-Term Post-Petition Debt, Net of Current Portion	\$0
46	Total Post-Petition Liabilities	(\$224,494)

Pre-Petition Liabilities (allowed amount)

47	Secured claims	F	TBD
48	Priority unsecured claims	F	TBD
49	General unsecured claims	F	TBD
50	Total Pre-Petition Liabilities		TBD
51	Total Liabilities		TBD

Equity (Deficit)

52	Retained Earnings/(Deficit) at time of filing	TBD
53	Capital Stock	TBD
54	Additional paid-in capital	TBD
55	Cumulative profit/(loss) since filing of case	TBD
56	Post-petition contributions/(distributions) or (draws)	TBD
57		TBD
58	Market value adjustment	TBD
59	Total Equity (Deficit)	TBD
60	Total Liabilities and Equity (Deficit)	TBD

Schedule C
Real Property

Description	<u>Cost</u>	<u>Market Value</u>
N/A		
Total		

Schedule D
Other Depreciable Assets

Description	<u>Cost</u>	<u>Market Value</u>
Machinery & Equipment -		
N/A		
Total		
Furniture & Fixtures -		
Company may take future possession of furniture of de minimus value at storage facilities.		
Total		
Office Equipment -		
N/A		
Total		
Leasehold Improvements -		
N/A		
Total		
Vehicles -		
N/A		
Total		

Schedule E
Aging of Post-Petition Taxes
(As of End of the Current Reporting Period)

Taxes Payable	0-30 Days	31-60 Days	61-90 Days	91+ Days	Total
Federal					
Income Tax Withholding	\$0	\$0	\$0	\$0	\$0
FICA - Employee	\$0	\$0	\$0	\$0	\$0
FICA - Employer	\$0	\$0	\$0	\$0	\$0
Unemployment (FUTA)	\$0	\$0	\$0	\$0	\$0
Income	\$0	\$0	\$0	\$0	\$0
Other (Attach List)	\$0	\$0	\$0	\$0	\$0
Total Federal Taxes	\$0	\$0	\$0	\$0	\$0
State and Local					
Income Tax Withholding	\$0	\$0	\$0	\$0	\$0
Unemployment (UT)	\$0	\$0	\$0	\$0	\$0
Disability Insurance (DI)	\$0	\$0	\$0	\$0	\$0
Empl. Training Tax (ETT)	\$0	\$0	\$0	\$0	\$0
Sales	\$0	\$0	\$0	\$0	\$0
Excise	\$0	\$0	\$0	\$0	\$0
Real property	\$0	\$0	\$0	\$0	\$0
Personal property	\$0	\$0	\$0	\$0	\$0
Income	\$0	\$0	\$0	\$0	\$0
Other (Attach List)	\$0	\$0	\$0	\$0	\$0
Total State & Local Taxes	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$0	\$0	\$0	\$0	\$0

Schedule F
Pre-Petition Liabilities

List Total Claims For Each Classification -

Claimed Amount	Allowed Amount (b)
TBD	TBD

- (a) List total amount of claims even it under secured.
- (b) Estimated amount of claim to be allowed after compromise or litigation. As an example, you are a defendant in a lawsuit alleging damage of \$10,000,000 and a proof of claim is filed in that amount. You believe that you can settle the case for a claim of \$3,000,000. For Schedule F reporting purposes you should list \$10,000,000 as the Claimed Amount and \$3,000,000 as the Allowed Amount.

Schedule G
Rental Income Information
Not applicable to General Business Cases

Schedule H
Recapitulation of Funds Held at End of Month

	Account 1	Account 2	Account 3	Account 4
Bank	N/A	N/A	N/A	N/A
Account Type	N/A	N/A	N/A	N/A
Account No.	N/A	N/A	N/A	N/A
Account Purpose	N/A	N/A	N/A	N/A
Balance, End of Month	N/A	N/A	N/A	N/A
Total Funds on Hand for all Accounts	N/A			

Attach copies of the month end bank statement(s), reconciliation(s), and the check register(s) to the Monthly Operating Report.

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Increase/(Decrease) in Cash and Cash Equivalents

For the Month Ended 02/28/17

		Actual Current Month	Cumulative (Case to Date)
Cash Receipts			
1	Rent/Leases Collected	\$0	\$0
2	Cash Received from Sales	\$0	\$0
3	Interest Received	\$0	\$0
4	Borrowings	\$0	\$0
5	Funds from Shareholders, Partners, or Other Insiders	\$0	\$0
6	Capital Contributions	\$0	\$0
7	** Initial Monies Received from Sheppard Mullin carve-out	\$20,000	\$20,000
8	from their retainer to assist Debtor	\$0	\$0
9		\$0	\$0
10		\$0	\$0
11		\$0	\$0
12	Total Cash Receipts	\$20,000	\$20,000
Cash Disbursements			
13	Payments for Inventory	\$0	\$0
14	Selling	\$0	\$0
15	Administrative	\$0	\$0
16	Capital Expenditures	\$0	\$0
17	Principal Payments on Debt	\$0	\$0
18	Interest Paid	\$0	\$0
19	Rent/Lease:		
20	Personal Property	\$0	\$0
21	Real Property	\$0	\$0
22	Amount Paid to Owner(s)/Officer(s)		
23	Salaries	\$0	\$0
24	Draws	\$0	\$0
25	Commissions/Royalties	\$0	\$0
26	Expense Reimbursements	\$0	\$0
27	Other	\$0	\$0
28	Salaries/Commissions (less employee withholding)	\$0	\$0
29	Management Fees	\$0	\$0
30	Taxes:		
31	Employee Withholding	\$0	\$0
32	Employer Payroll Taxes	\$0	\$0
33	Real Property Taxes	\$0	\$0
34	Other Taxes	\$0	\$0
35	Other Cash Outflows:		
36	Bank Fees	\$22	\$22
37		\$0	\$0
38	Total Cash Disbursements:	\$22	\$22
39	Net Increase (Decrease) in Cash	\$19,978	\$19,978
40	Cash Balance, Beginning of Period	\$0	\$0
41	Cash Balance, End of Period	\$19,978	\$19,978

STATEMENT OF CASH FLOWS
 (Optional) Increase/(Decrease) in Cash and Cash Equivalents
 For the Month Ended 02/28/17

		Actual Current Month	Cumulative (Case to Date)
Cash Flows From Operating Activities			
1	Cash Received from Sales	\$0	\$0
2	Rent/Leases Collected	\$0	\$0
3	Interest Received	\$0	\$0
4	Cash Paid to Suppliers	\$0	\$0
5	Cash Paid for Selling Expenses	\$0	\$0
6	Cash Paid for Administrative Expenses	\$0	\$0
7	Cash Paid for Rents/Leases:		
8	Personal Property	\$0	\$0
9	Real Property	\$0	\$0
10	Cash Paid for Interest	\$0	\$0
11	Cash Paid for Net Payroll and Benefits	\$0	\$0
12	Cash Paid to Owner(s)/Officer(s):		
13	Salaries	\$0	\$0
14	Draws	\$0	\$0
15	Commissions/Royalties	\$0	\$0
16	Expense Reimbursements	\$0	\$0
17	Other	\$0	\$0
18	Cash Paid for Taxes Paid/Deposited to Tax Acct.		
19	Employer Payroll Tax	\$0	\$0
20	Employee Withholdings	\$0	\$0
21	Real Property Taxes	\$0	\$0
22	Other Taxes	\$0	\$0
23	Cash Paid for General Expenses	\$0	\$0
24	Bank Fees	(\$22)	(\$22)
25		\$0	\$0
26		\$0	\$0
27	Net Cash Provided (Used) by Operating Activities before Reorganization Items	(\$22)	(\$22)
Cash Flows From Reorganization Items			
28	Interest Received on Cash Accumulated Due to Chp 11 Case	\$0	\$0
29	Professional Fees Paid for Services in Connection with Chp 11 Case	\$0	\$0
30	U.S. Trustee Quarterly Fees	\$0	\$0
31	**Initial Monies Received from Sheppard Mullin Retainer	\$20,000	\$20,000
32	Net Cash Provided (Used) by Reorganization Items	\$20,000	\$20,000
33	Net Cash Provided (Used) for Operating Activities and Reorganization Items	\$19,978	\$19,978
Cash Flows From Investing Activities			
34	Capital Expenditures	\$0	\$0
35	Proceeds from Sales of Capital Goods due to Chp 11 Case	\$0	\$0
36		\$0	\$0
37	Net Cash Provided (Used) by Investing Activities	\$0	\$0
Cash Flows From Financing Activities			
38	Net Borrowings (Except Insiders)	\$0	\$0
39	Net Borrowings from Shareholders, Partners, or Other Insiders	\$0	\$0
40	Capital Contributions	\$0	\$0
41	Principal Payments	\$0	\$0
42		\$0	\$0
43	Net Cash Provided (Used) by Financing Activities	\$0	\$0
44	Net Increase (Decrease) in Cash and Cash Equivalents	\$19,978	\$19,978
45	Cash and Cash Equivalents at Beginning of Month	\$0	\$0
46	Cash and Cash Equivalents at End of Month	\$19,978	\$19,978



Direct inquiries to:
888 895-5650

ACCOUNT STATEMENT

Page 1 of 1
STARTING DATE: February 09, 2017
ENDING DATE: February 28, 2017
Total days in statement period: 20
I7161
(0)

CECCHI GORI PICTURES
CHAPTER 11 DEBTOR IN POSSESSION
CASE # 16-53499
GENERAL CHECKING
1100 LA AVENIDA ST
MOUNTAIN VIEW CA 94043-1452

Set up Direct Deposit and allow your
payments to go into your account
automatically. Save yourself a trip to the
bank and no more waiting for paper
checks. Enrolling is easy! Talk to your
payer today.

Standard Business Checking

Account number	I7161	Beginning balance	\$0.00
Low balance	\$0.00	Total additions	20,000.00
Average balance	\$5,997.00	Total subtractions	10.00
		Ending balance	\$19,990.00

CREDITS

Number	Date	Transaction Description	Additions
	02-23	Wire Trans IN SHEPARD MULLIN INC HTER	20,000.00

DEBITS

Date	Transaction Description	Subtractions
02-23	Service Charge WIRE TRANS IN	10.00

DAILY BALANCES

Date	Amount	Date	Amount	Date	Amount
02-23	19,990.00				

OVERDRAFT/RETURN ITEM FEES

	Total for this period	Total year-to-date
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00



9300 Flair Drive Suite 106
El Monte CA 91731

Direct inquiries to:
888 895-5650

ACCOUNT STATEMENT

Page 1 of 1
STARTING DATE: February 09, 2017

ENDING DATE: February 28, 2017

Total days in statement period: 20

7168

(0)

CECCHI GORI PICTURES
CHAPTER 11 DEBTOR IN POSSESSION
CASE # 16-53499
PAYROLL CHECKING
1100 LA AVENIDA ST
MOUNTAIN VIEW CA 94043-1452

Set up Direct Deposit and allow your
payments to go into your account
automatically. Save yourself a trip to the
bank and no more waiting for paper
checks. Enrolling is easy! Talk to your
payer today

Standard Business Checking

Account number	7168	Beginning balance	\$0.00
Low balance	\$0.00	Total additions	.00
Average balance	\$0.00	Total subtractions	12.00
		Ending balance	\$-12.00

DEBITS

Date	Transaction Description	Subtractions
02-28	Maintenance Fee	12.00

DAILY BALANCES

Date	Amount	Date	Amount	Date	Amount
02-28	-12.00				

OVERDRAFT/RETURN ITEM FEES

	Total for this period	Total year-to-date
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00